Government of Saskatchewan

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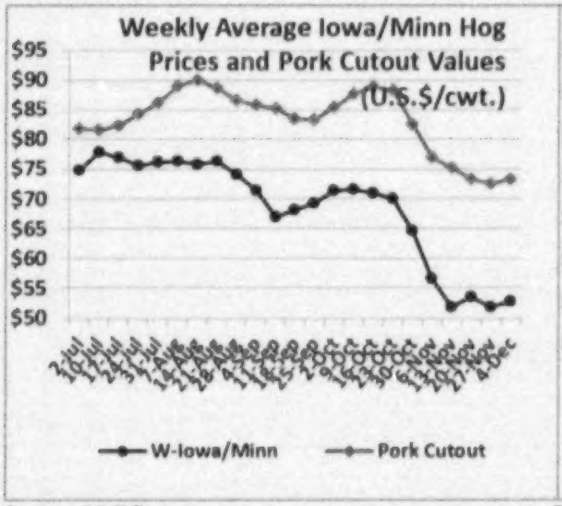
Weekly Hog Report

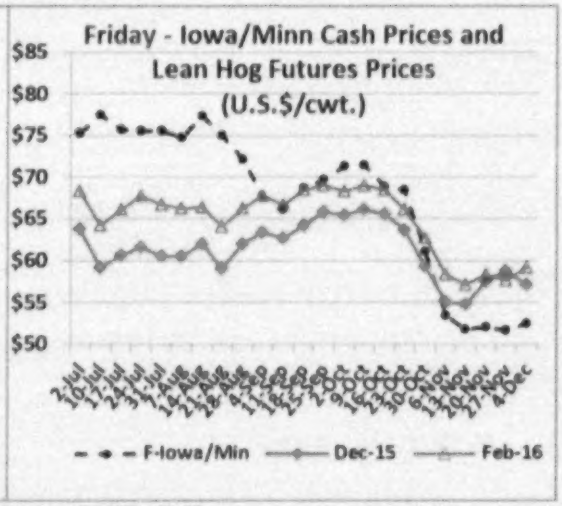
December 7, 2015

Cash Slaughter Weight Hog Prices

United States daily average cash hog prices (Iowa/Minn) were steady last week with prices edging higher, week-over-week. Hog prices on Friday December 4 averaged US$52.44 per cwt, up US$0.89 per cwt from US$51.55 per cwt the previous Friday. The negotiated base price last week averaged US$52.83 per cwt, up US$0.99 per cwt or 1.9 per cent from US$51.84 per cwt the previous week.



Source: LMIC



Source: LMIC, CME

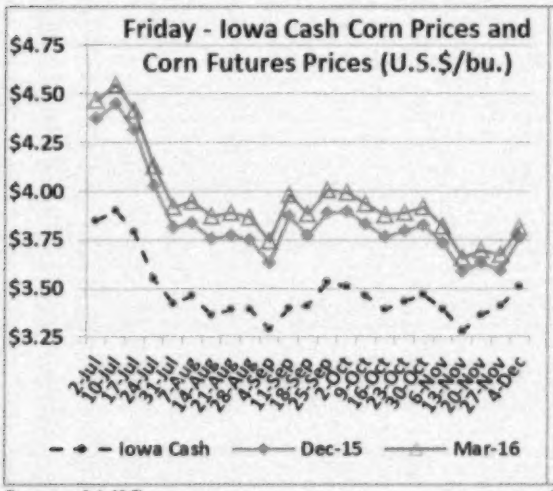
In Canada, the Signature#3 (Maple Leaf) Index 100 daily price for Friday December 4, 2015 was $130.10 per ckg, up $4.09 per ckg or 3.2 per cent from $126.01 per ckg the previous Friday. Signature#3 weekly prices (Friday to Thursday) averaged $128.61 per ckg, up $2.04 per ckg or 1.6 per cent from the previous weeks' average price of $126.57 per ckg. The Canadian dollar edged slightly lower to close Friday at 74.76 cents; down from the previous Friday's close of 74.78 cents.

Futures Markets

United States Lean hog futures daily prices were mixed over the week with strong gains on Tuesday to end last week mixed, week-over-week. The nearby December contract declined US$1.675 per cwt to settle Friday at US$57.050 per cwt, while the February 2016 contract increased US$1.425 per cwt to settle Friday at US$59.100 per cwt.

Cash Feeder Hog Prices

North American (Iowa) iso-wean (10-12lb) cash hog prices and feeder (40lb) cash hog prices edged higher last week. Weighted average cash prices for iso-weans (12lb) last week were US$38.60 per head, up US$1.45 per head from US$37.15 per head the previous week. Feeders (40lb) were US$43.82 per head, up $1.13 per head from US$42.67 per head the previous week.



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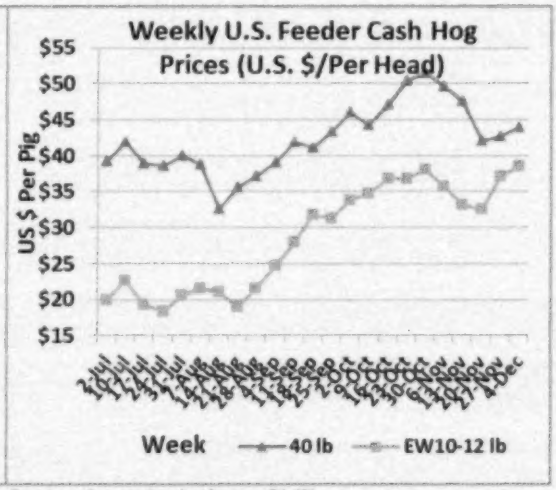


Source: Iowa Agriculture, CME

Iowa cash corn prices moved higher last week increasing ten cents to settle Friday at US$3.51 per bushel. U.S. corn futures prices were higher over the week to move noticeably higher, week-over-week. The December corn futures contract increased 17 cents over the week to settle Friday at $3.76¼ per bushel, while the March 2016 contract increased over 14 cents to settle Friday at $3.81½ per bushel.

Hogs Slaughtered

U.S. hogs slaughtered under federal inspection for the week ending December 5 were estimated at 2.424 million head, up 13.9 per cent from 2.129 million head the previous shorter U.S. Thanksgiving week, and up 8.4 per cent from 2.235 million head the same week a year ago. Weekly hog slaughter numbers reached levels not achieved since September 2012. U.S. hogs slaughtered over the last four weeks ending December 5 averaged 2.335 million head per week, up 7.5 per cent from 2.172 million head over the same period a year ago.

In Canada, federal and provincial hog slaughter numbers for the week ending Nov. 28, 2015 were estimated at 442,273 head, up 1.2 per cent from 437,128 head the previous week, and up 5.4 per cent from 419,635 head the same week a year ago. Canadian hogs slaughtered over the last four weeks ending November 28, 2015 were estimated to average 430,835 head, up 1.7 per cent from 423,723 head over the same period a year ago. Year-to-date, Canadian hogs slaughtered are estimated at 19.324 million head, up 2.6 per cent from 18.839 million head over the same period in 2014.

Meat Production

U.S. pork production for the week ending December 5, 2015 was estimated at a new weekly record high of 517.4 million lb., up 14.0 per cent from 454.0 million lb. the previous shorter week, and up 7.4 per cent from 481.7 million lb. the same week a year ago. Pork production over the last four week's ending December 5 was estimated to average 498.5 million lb., up 6.8 per cent from 467.0 million lb. over the same four week period a year ago.

U.S. beef production for the week ending December 5 was estimated at 473.2 million lb., up 22.1 per cent from 387.4 million lb. the previous shorter U.S. Thanksgiving week, and up 2.0 per cent from 463.9 million lb. the same week a year ago.

Combined production of U.S. beef, pork, chicken and turkey over the four weeks ending November 28, 2015, was estimated to average 1.999 billion lb., up 2.2 per cent from 1.956 billion lb. over the same four weeks a year ago. Year-to-date, total U.S. meat production for 2015 is estimated to be 95.718 billion lb., up 3.5 per cent compared to the same period in 2014.

United States Weekly Meat Production

(Nov. 28) Four Week Average - Million Lb.			Percent Change	
	2014	2015	4 Week	YTD 2015
Pork	466.1	495.0	6.2%	7.5%
Beef	453.5	454.4	0.2%	-2.7%
Chicken	902.2	923.5	2.4%	6.0%
Turkey	134.3	126.3	-5.9%	-4.5%
Total	**1,956.0**	**1,999.2**	**2.21%**	**3.54%**

Source: LMIC

Cutout Values

U.S. pork cutout values for the week ending December 5, 2015 averaged US$73.36 per cwt, up US$0.85 per cwt or 1.2 per cent from US$72.51 per cwt the previous week, but down 21.0 per cent from US$92.87 per cwt from the same week a year ago.

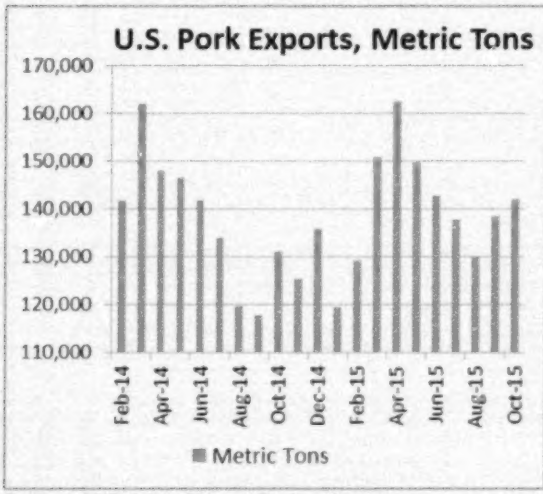
Choice beef cutout prices (600-900 lb.) for the week ending December 5, 2015 averaged US$204.13 per cwt, up slightly (US$0.36 per cwt) from US$203.77 per cwt the previous week, but down 20.1 per cent from US$255.44 per cwt a year ago.

Average chicken cutout values (breast) for the week ending December 5, 2015 averaged US$105.12 per cwt, down slightly from US$105.35 per cwt the previous week, and down 24.5 per cent from US$139.19 per cwt the same week a year ago.

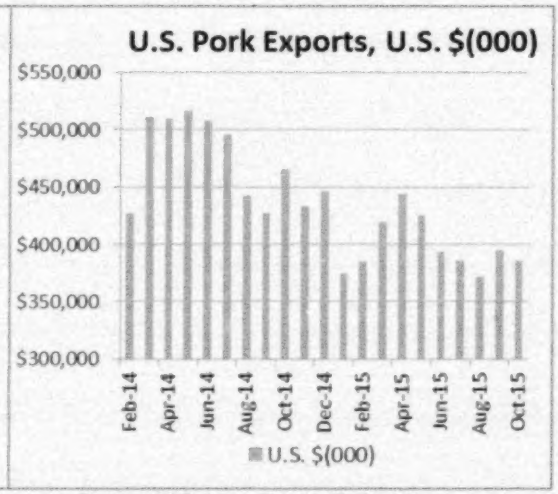
United States Pork Exports

United States exported 141,923 metric tons of pork in October 2015, up 2.6 per cent from 138,398 metric tons in September 2015, and up 8.4 per cent from 130,923 metric tons in October 2014. By dollar amount, U.S. pork exports in October 2015 were US$385.4 million, down 2.2 per cent from US$394.1 million in September 2015, and down 17.2 per cent from US$465.3 million in October 2014.

Year-to-date as of October 2015, U.S. pork exports by volume were 1,401,592 metric tons, down only 0.7 per cent by volume from the same ten month period in 2014. Exports by value year-to-date October 2015 were $3,979,620, down 16.3 per cent by value compared to the same ten month period in 2014. Exports by dollar amount were lower to Japan, Mexico, China, and Canada, but still higher to South Korea. Exports to Mexico by volume are however higher (11.5 per cent), over the same ten month period in 2014. U.S. pork exports to China over the last few months (July-to-October 2015) have picked up by volume compared to the same months in 2014.
(Source: U.S. Meat Export Federation)



Source: U.S. Meat Export Federation



Source: U.S. Meat Export Federation

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